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**FISCAL IMPACT STATEMENT**

**LS 6826**

**BILL NUMBER:** HB 1307

**NOTE PREPARED:** Jan 15, 2014

**BILL AMENDED:**

**SUBJECT:** Various Natural Resource Matters.

**FIRST AUTHOR:** Rep. Eberhart

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:** ☒ **GENERAL**  
☒ **DEDICATED**  
**FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** This bill defines "geo-referenced". It allows a professional surveyor to use a geo-referenced aerial photograph in order to prepare a description of a parcel.

The bill exempts from the boat excise tax a motorboat registered outside Indiana and docked on the Indiana part of Lake Michigan for a combined total of not more than 180 consecutive days. It also amends certain definitions.

The bill allows the Director of the Department of Natural Resources (DNR) to adopt rules that would authorize the taking of a wild animal in a state park under certain circumstances.

The bill allows the director of DNR to consider certain factors when determining damages caused by a person releasing certain substances that kill wild animals.

The bill makes certain changes to the program to contain and reduce invasive animal species in the Wabash River.

The bill allows the director of the DNR to issue a permit to take a wild animal to a person that owns or has an interest in property: (1) being damaged; (2) threatened with damage; or (3) on which a health or safety threat to persons or domestic animals is posed; by a wild animal. It allows for the permit to take a wild animal to be denied to a person, after an investigation of a complaint, if the complaint is unfounded or the applicant has not complied with certain requirements.

The bill provides for a project permit under the Flood Control Act to be issued for two years for most

projects and five years for the Department of Transportation, federally funded county highway projects, and power generation facilities. It also allows for a project permit issued under the Flood Control Act to be renewed one time for a period of two years.

The bill exempts from the definition of the practice of surveying classified parcel descriptions developed under certain natural resources commission rules.

The bill provides penalties for a person who provides fishing or hunting guide services to take wild animals that are protected by law.

The bill repeals the pest control compact.

The bill makes conforming changes. It also makes a technical correction.

**Effective Date:** July 1, 2014.

**Explanation of State Expenditures:** *Department of Natural Resources (DNR):* The bill makes several administrative changes to DNR provisions that should have little to no fiscal impact. These include providing DNR with the ability for more options for managing wildlife in state parks, direction on how to calculate damages against a person who releases a substance that results in an animal kill, and the ability for DNR to issue free permits to a property owner to take a wild animal which threatens the health or safety to persons or domestic animals.

Additionally, the bill clarifies that a project permit under the Flood Control Act is to be issued for two years for most projects and five years for the Department of Transportation, federally funded county highway projects, and power generation facilities. It also allows for a project permit issued under the Flood Control Act to be renewed one time for a period of two years.

These provisions should all be within DNR's routine administrative functions and should be able to be implemented with no additional appropriations, assuming near customary agency staffing and resource levels.

*Repeal of the Pest Control Compact:* The Interstate Pest Control Compact was dissolved in 2013. Repealing the state statute enacting the Pest Control Compact removes obsolete language and should have no fiscal impact.

*Penalty Provision:* A Level 6 felony is punishable by a prison term ranging from six months to 30 months and a Level 5 felony is punishable by a prison term ranging from one to six years. Assuming offenders can be housed in existing facilities with no additional staff, the marginal cost for medical care, food, and clothing is approximately \$3,266 annually, or \$8.95 daily, per prisoner. However, any additional expenditures are likely to be small.

**Explanation of State Revenues:** *Penalty Provision:* The bill provides penalties for a person who provides fishing or hunting guide services to take wild animals that are protected by law. Specifically, it is a Class C misdemeanor (for animal(s) with market values of less than \$500), a Level 6 felony (for animal(s) with market values between \$500 and \$5,000), and a Level 5 felony (for animal(s) with market values above \$5,000).

If additional court cases occur and fines are collected, revenue to both the Common School Fund (from

criminal fines) and the state General Fund (from court fees) would increase. The maximum fine for a Class C misdemeanor is \$500 and the maximum fine for a Level 6 or Level 5 felony is \$10,000. However, any additional revenues would likely be small.

**Explanation of Local Expenditures:** *Penalty Provision:* A Class C misdemeanor is punishable by up to 60 days in jail. Also, if more defendants are detailed in county jails prior to their hearings (for Level 5 or Level 6 felonies), local expenditures for jail operations may increase. However, any additional expenditures would likely be small.

**Explanation of Local Revenues:** *Boat Excise Tax:* The bill exempts from the boat excise tax a motorboat registered outside Indiana and docked on the Indiana part of Lake Michigan for a combined total of not more than 180 consecutive days. The bill should decrease the amount of boat excise tax revenue collected by an indeterminate amount. A recent presentation to the Lake Michigan Marina and Shoreline Development Commission indicated that approximately 25% of one of the state's Lake Michigan marina business is out of state (Chicago) watercraft. It may therefore be reasonable to conclude that roughly 25% of all Lake Michigan business is from out of state boat owners. However, the total number of boats affected by the bill is unknown and would depend upon the amount of out-of-state business the Lake Michigan marinas in Indiana may have in future years.

The amount of boat excise tax that a boat owner pays for a boating year is based on the boat's class and age. Motorized boats and sailboats are classified for excise tax purposes according to the value of the boat when the boat was new. The excise tax is distributed monthly to counties by the BMV.

*Penalty Provision:* If additional court actions occur and a guilty verdict is entered, local governments would receive revenue from court fees. However, the amounts would likely be small.

**State Agencies Affected:** DNR, Bureau of Motor Vehicles (BMV), and Department of Correction.

**Local Agencies Affected:** Counties, trial courts, and local law enforcement agencies.

**Information Sources:** Lake Michigan Marina and Shoreline Development Commission Meeting Minutes, December 13, 2012; BMV Boat Excise Tax Data.

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